

10-90,14-58

FCC Form 481 - Carrier Annual Reporting  
Data Collection FormFCC Form 481  
OMB Control No. 3060-0066/OMB Control No. 3060-0019  
July 2013

Received &amp; Inspected

<010> Study Area Code 401724

<015> Study Area Name SW ARKANSAS TEL COOP

<020> Program Year 2015

<030> Contact Name: Person USAC should contact with questions about this data Tina Moore

<035> Contact Telephone Number: 8706537133 ext. Number of the person identified in data line <030>

<039> Contact Email Address: Email of the person identified in data line <030> tina@swatco.com

JUN 27 2014

FCC Mail Room

## ANNUAL REPORTING FOR ALL CARRIERS

54.313  
Completion  
Required54.422  
Completion  
Required

(check box when complete)

<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> check box if no outages to report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300> Unfulfilled Service Requests (voice) 0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband) 0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed 0.0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile 0.0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440> Fixed 0.0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450> Mobile 0.0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> 401724ar510.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> 401724ar610.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> 401724ar1010.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)?	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000> (check to indicate certification)

<2005> (complete attached worksheet)

## Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000> (check to indicate certification)

<3005> (complete attached worksheet)

No. of Copies rec'd 021  
List ABCDE

(100) Service Quality Improvement Reporting  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111>	year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

401724ar100.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached documents(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets  
 <114> Report how much universal service (USF) support was received  
 <115> How (USF) was used to improve service quality  
 <116> How (USF) was used to improve service coverage  
 <117> How (USF) was used to improve service capacity  
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.




FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

[illegible]

**(700) Price Offerings including Voice Rate Data  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	6W ARKANSAS TEL. COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@watco.com

<701> Residential Local Service Charge Effective Date  
<702> Single State-wide Residential Local Service Charge

1/1/2014

[illegible]

FCC Form 481  
OMB Control No. 3060-0985/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com

[illegible]





**(900) Tribal Lands Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	401724
<015> Study Area Name	SW ARKANSAS TEL COOP
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Tina Moore
<035> Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com

&lt;910&gt; Tribal Land(s) on which ETC Serves

&lt;920&gt; Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@watco.com

<1120> Please check this box to confirm no terrestrial backhaul  
options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers  
broadband service of at least 1 Mbps downstream and 256 kbps  
upstream within the supported area pursuant to § 54.313(G) ☐



**(1200) Terms and Condition for Lifeline Customers**  
**Lifeline**  
**Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@awateco.com

401724er1210.pdf

&lt;1210&gt; Terms &amp; Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

&lt;1220&gt; Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

**(2000) Price Cap Carrier Additional Documentation****Data Collection Form***Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

**Incremental Connect America Phase I reporting**

<2010> 2nd Year Certification (47 CFR § 54.313(b)(1)) ☐

<2011> 3rd Year Certification (47 CFR § 54.313(b)(2)) ☐

**Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))**

<2012> 2013 Frozen Support Certification ☐

<2013> 2014 Frozen Support Certification ☐

<2014> 2015 Frozen Support Certification ☐

<2015> 2016 and future Frozen Support Certification ☐

**Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))**

<2016> Certification Support Used to Build Broadband ☐

**Connect America Phase II Reporting (47 CFR § 54.313(e))**

<2017> 3rd year Broadband Service Certification ☐

<2018> 5th year Broadband Service Certification ☐

<2019> Interim Progress Certification ☐

<2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

## (3000) Rate Of Return Carrier Additional Documentation

## Data Collection Form

FCC Form 481

OMB Control No. 3060-0985/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 401724  
<015> Study Area Name SW ARKANSAS TEL COOP  
<020> Program Year 2015  
<030> Contact Name - Person USAC should contact regarding this data Tina Moore  
<035> Contact Telephone Number - Number of person identified in data line <030> 8706527122 ext.  
<039> Contact Email Address - Email Address of person identified in data line <030> tina@swatco.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(s)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

- (3010) Progress Report on 5 Year Plan  
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313(f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))  
(3014) If yes, does your company file the RUS annual report

(Yes/No)  
(Yes/No)



Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) ☒  
(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☒

- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

401724ar3017.pdf

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, Is your company audited?

(Yes/No)



If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

- (3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☐

- (3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3021) Management letter issued by the independent certified public accountant that performed the company's financial audit. ☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐

- (3023) Underlying information subjected to a review by an independent certified public accountant ☐

- (3024) Underlying information subjected to an officer certification. ☐

- (3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information



**From:** [Form481@usac.org](mailto:Form481@usac.org) [<mailto:Form481@usac.org>]  
**Sent:** Monday, June 23, 2014 2:52 PM  
**To:** Sherri Knigge  
**Subject:** Form 481 Certification Confirmation

Congratulations. Your filing has been successfully certified.

**Filing Number:** 1

**Certification Date and Time:** Mon Jun 23 15:51:50 EDT 2014

**Filing Created By:** [sherrik@swatco.com](mailto:sherrik@swatco.com)

**SAC:** 401724

**SPIN:** 143002274

**Carrier:** SW ARKANSAS TEL COOP

**Program Year:** 2015

This is a system generated email. Please do not respond to this message.

Certification - Agent / Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0619 July 2013
<010> Study Area Code	401724	
<015> Study Area Name	SW ARKANSAS TEL COOP	
<020> Program Year	2015	
<030> Contact Name - Person USAC should contact regarding this data	Tina Moore	
<035> Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.	
<039> Contact Email Address - Email Address of person identified in data line <030>	tjnam@swatco.com	

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Larry Frazier</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	<u>Larry Frazier</u>
Name of Reporting Carrier:	<u>SW ARKANSAS TEL COOP</u>
Signature of Authorized Officer:	<u>CERTIFIED ONLINE</u> Date: <u>06/23/2014</u>
Printed name of Authorized Officer:	<u>Sherri Knigge</u>
Title or position of Authorized Officer:	<u>Compliance Officer</u>
Telephone number of Authorized Officer:	<u>8706537132 ext.</u>
Study Area Code of Reporting Carrier:	<u>401724</u> Filing Due Date for this form: <u>07/01/2014</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	<u>SW ARKANSAS TEL COOP</u>
Name of Authorized Agent or Employee of Agent:	<u>Larry Frazier</u>
Signature of Authorized Agent or Employee of Agent:	<u>CERTIFIED ONLINE</u> Date: <u>06/23/2014</u>
Printed name of Authorized Agent or Employee of Agent:	<u>Larry Frazier</u>
Title or position of Authorized Agent or Employee of Agent:	<u>Manager</u>
Telephone number of Authorized Agent or Employee of Agent:	<u>8706537134 ext.</u>
Study Area Code of Reporting Carrier:	<u>401724</u> Filing Due Date for this form: <u>07/01/2014</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	



[USAC Home](#) [High Cost Program](#) [Search Tools](#) [Form 481](#)

## CONFIRMATION

---

**Congratulations. Your filing has been successfully certified.**

Filing 1 was successfully certified on Mon 23 Jun 14 03:50:21 PM EDT by sherrik@swatco.com .

SAC : 401724

SPIN : 143002274

Carrier Name : SW ARKANSAS TEL COOP

Program Year : 2015

[Return to 481 Search](#)

---



## Attachments

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com

<701> Residential Local Service Charge Effective Date  
<702> Single State-wide Residential Local Service Charge

1/1/2014

<703>

[illegible]

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com

[illegible]



**(800) Operating Companies**

### Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	401724
<015>	Study Area Name	SW ARKANSAS TEL COOP
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Tina Moore
<035>	Contact Telephone Number - Number of person identified in data line <030>	8706537133 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	tinam@swatco.com
<810>	Reporting Carrier	Southwest Arkansas Telephone Cooperative, Inc.
<811>	Holding Company	
<812>	Operating Company	

[illegible]

**Southwest Arkansas Telephone Cooperative****Response to Lines 500-510 - Service Quality Standards and Consumer Protection Rules****Compliance**

In establishing this certification in its *2005 ETC Order*,<sup>1</sup> the FCC found that an ETC must make "a specific commitment to objective measures to protect consumers."<sup>2</sup> The FCC found that for wireless ETCs, compliance with CTIA's Consumer Code for Wireless Service would satisfy this requirement" and that the sufficiency of other commitments would be considered on a case-by-case basis.<sup>3</sup> In this context, the FCC stated, "to the extent a wireline or wireless ETC applicant is subject to consumer protection obligations under state law, compliance with such laws may meet our requirement."<sup>4</sup>

**Southwest Arkansas Telephone Cooperative, Inc.** ("Company") hereby certifies that, in Arkansas, it complies with applicable service quality standards and consumer protection rules established by the Arkansas Public Service Commission and detailed in the Telecommunication Provider Rules. Specifically, sections 1.09, 1.10, 1.11, 1.12, and 2.0 address the following obligations which include, but are not limited to: 1.09 Service Availability, 1.10 Safe and Adequate Service, 1.11 Construction Standards, 1.12 Facility Identification and Section 2.0, which details consumer billing rules and regulations. Furthermore, Company is subject to cyclical compliance reviews by the Arkansas Public Service Commission Telecommunications

---

<sup>1</sup> *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) ("*2005 ETC Order*").

<sup>2</sup> *Id.* at para. 28.

<sup>3</sup> *Id.* The FCC noted that under the CTIA Consumer Code, wireless carriers agree to: "(1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy." *Id.* at n. 71.

<sup>4</sup> *Id.* at n. 72.

Utilities and Quality of Service Section. In Texas, Company hereby certifies that it complies with applicable service quality standards and consumer protection rules under the Texas Administrative Code, Title 16, Part II, as established by the Public Utility Commission of Texas. These obligations include, but are not limited to, the following: (1) filing a Local Exchange Tariff which discloses rates, terms and conditions of service to customers pursuant to Subchapter J requirements in Sections 26.201-26.230; (2) adherence to state consumer protection requirements governing telephone providers as identified in Subchapter B, in Sections 26.21-26.37; and (3) service quality standards requirements as identified in Subchapter C, Sections 26.51 -26.57.

In addition, the Company complies with numerous federal consumer protection standards including, but not limited to: (1) Truth-in-Billing Rules outlined in 47 CFR § 64.2401; and (2) compliance with Federal CPNI rules, Red Flag Rules and other applicable federal and state requirements governing the protection of customers' privacy.

Furthermore, Southwest Arkansas Telephone Cooperative, Inc. hereby certifies it will apply the same service quality standards that it currently applies to Voice service to Broadband services also, as is applicable to 47CFR 54.313.(a)(5).



**Southwest Arkansas Telephone Cooperative, Inc.**

**Response to Lines 600-610 - Ability to Function in Emergency Situations**

Southwest Arkansas Telephone Cooperative, Inc. ("Company") hereby certifies that it is able to function in emergency situations as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.202(a)(2)<sup>1</sup>, the Arkansas Public Service Commission Telecommunication Provider Rules, and the Texas Administrative Code. The Company's network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can change call routing translations as needed to reroute traffic around damaged facilities. Changing call routing translations also allows the Company to manage traffic spikes throughout its network, as emergency situations require.

Specifically, the Company is able to function under emergency operations in accordance with Arkansas Service Commission Telecommunication Rules *§8 General Service Standards*, *§10 Maintenance*, and *§11 Quality Standards* which include obligations for continuity of service and emergency operations planning and service provision capability for dominant carriers. Any central office without a permanently installed emergency power system shall be wired to permit connection of a mobile emergency power unit, and there shall be a mobile emergency power unit available for connection on short notice with minimum travel time. Furthermore in section *11.06.B*, each central office shall be equipped with a battery reserve sufficient to sustain

---

<sup>1</sup> Section 54.202(a)(2) requires ETCs that are designated by the Commission to "demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations."

operation until emergency power can be connected. In Texas, the Company functions under emergency operations in accordance with Public Utility Commission of Texas Substantive Rules §26.51 *Reliability of Operations of Telecommunications Providers* and §26.52 *Emergency Operations* which include obligations for continuity of service and emergency operations planning and service provision capability for dominant carriers. Any central office not equipped with permanently installed standby generators contains a minimum four hours of battery reserve without voltage falling below the level required for proper operation of all equipment. In addition, all central offices without installed emergency power facilities have a mobile power unit available which can be delivered and connected on short notice.

Furthermore, Southwest Arkansas Telephone Cooperative, Inc. hereby certifies it will apply the same standards as they relate to the ability to function in emergency situations that it currently applies to Voice service to Broadband services also, as is applicable to 47CFR 54.313.(a)(6).

**Southwest Arkansas Telephone Cooperative, Inc.**

**Response to Lines 1000 - Voice Service Rate Comparability**

Southwest Arkansas Telephone Cooperative, Inc. ("Company") hereby certifies it does not provide voice rates that are above two standard deviations above the national average urban rate, as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.313(a)(10). Company determined this by comparing its rates to the National Average Urban Rate, which was recently released by the FCC. The rate of the Company is below the National Average Urban Rate and, therefore, the 2 standard deviations calculation does not apply.



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION

### **Five-Year Network Improvement Plan**

#### **For Southwest Arkansas Telephone Cooperative, Inc.**

In its USF / ICC Transformation Order and subsequent Orders, the Federal Communications Commission ("FCC " or "Commission") requires Eligible Telecommunications Carriers ("ETCs") to submit a five-year build-out plan in a manner consistent with Section 54.202(a)(1)(ii) for the Commission's Rules by July 1, 2014 and to submit annual progress reports thereafter. Section 54.202(a)(1)(ii) states in part that ETCs are to submit a five-year plan that describes with specificity proposed improvements or upgrades to the ETC's network throughout its proposed service area. Each ETC shall estimate the area and population that will be served as a result of the improvements.

In its March 5, 2013 Order, the FCC specified that for rate-of-return carriers, the five-year plans "should describe the carrier's network improvement plan, which should provide greater visibility into current plans to extend broadband service to unserved locations in rate-of-return service territories". Southwest Arkansas Telephone Cooperative, Inc. ("SWAT") is a rate-of-return carrier ETC and hereby submits its five-year network improvement plan.

#### **I. The Challenges Faced by the Cooperative in Providing Voice and Broadband to its Rural Service Area**

##### **A. Description of the Company and its Service Area**

Southwest Arkansas Telephone Cooperative's service area is located in Miller County, Hempstead County, Howard County, and Columbia County in Arkansas and Cass County in Texas. SWAT provides both voice and broadband to these areas. The serving area is very rural with extremely long loop lengths and low per

CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION

subscriber per mile counts. The area is predominantly rural with farming, pulpwood, oil and gas productions being the main sources of income. Texarkana is the major commercial center for the area. Minor commercial centers in the area include Hope and Magnolia in Arkansas and Atlanta in Texas. SWAT faces many challenges in providing services within its serving area, including rivers crisscrossing its serving area, multiple railroads operating within its serving area, a multitude of different type of soil considerations, and many oil and gas pipelines throughout its serving area. All of these factors, combined with the low population density, make construction complicated and expensive.

#### **B. The Exchanges Contained Within the Company's Study Area**

SWAT owns and operates seven (7) exchanges in southwestern Arkansas and one (1) in northeastern Texas. These exchanges are Doddridge, Emerson, Fouke, Fulton, Garland, Trigg, and Washington in Arkansas and Bloomburg in Texas.

#### **II. The Company Has Used and Will Use Universal Service Support Only for the Intended Purpose**

Section 254(e) of the Communications Act of 1934, as amended requires ETCs to use Universal Service Support ("USF") only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Pursuant to Section 54.314 of the FCC's rules, in order for state-designated ETCs to receive USF for the coming year, states must annually file certifications by October 1 stating that all federal high-cost support provided to such carriers within the state "was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." ETCs not designated by the state must file similar certifications with the FCC.

In its USF/ICC Transformation Order, the FCC clarified that prior to making the Section 254(e) certifications, states should conduct a "rigorous examination of the factual information" contained in the annual Section 54.313 reports, of which the five year network improvement plan and annual progress reports are a part, in determining whether they can certify that carriers' support has been used and will



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION

be used only for the purpose for which the support was intended. The FCC said that it would also use the reports to verify certifications filed by ETCs that are not state-designated. In this context, the Commission stated, "in light of the public interest obligations we adopt in this Order, a key component of the Section 254(e) certification will now be that support is being used to maintain and extend modern networks capable of providing voice and broadband service.

Essentially, under the existing rules and processes, the federal USF received by the Company and other incumbent rural telephone companies are, in fact, an integral part of the recovery of expenditures of rural incumbent local exchange carriers incurred in the provision, maintenance and upgrading of their provision of facilities and services for which the USF is intended. Southwest Arkansas Telephone Cooperative, Inc. depends upon its receipt and utilization of federal universal service support to provide rural telephone customers with affordable and quality voice and broadband services.

Accordingly, given the critical role the network improvement plan and the progress reports will have in the annual Section 254(e) certification process, Southwest Arkansas Telephone Cooperative, Inc.'s plan and progress reports will demonstrate not only how SWAT has used and will use USF not only for improvements and upgrades, but also for the provision and maintenance of the facilities and services to which the support was intended.

### **III. The Company's Five-Year Network Improvement Plan**

When the Commission adopted its five-year plan requirements for FCC designated ETCs in its 2005 ETC Order, it set forth the following criteria as to how the ETC is to describe with "specificity" the proposed improvements or upgrades to the ETC's network throughout its service area:

- (1) how signal quality, coverage, or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; (2) the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; (3) the specific geographic areas



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION

where the improvements will be made; and (4) the estimated population that will be served as a result of the improvements.

In that order, the FCC clarified that service quality improvements in the five-year plan "do not necessarily require additional construction of network facilities." Accordingly, the improvements listed in the plan may be projects related to the expansion of the network (one or multiple service), projects related to updating technology to accommodate new services or higher bandwidth or maintenance projects, such as to reduce trouble reports and replace outdated equipment. Additionally, in some cases, the projects may be ones that improve or upgrade the entire network rather than discrete areas within a study area or they may be ones that are ongoing projects that have no specific start and completion dates.

The instructions to the Form 481 state "recipients may describe where improvements are expected to occur by wire center or census block, as appropriate. To the extent no improvements are planned in specific areas, the five-year plan should so indicate." The instructions also require that in subsequent annual progress reports which must include the total amount of universal support received must provide this information "broken out separately by the amount spent on capital expenses and the amount spent on operating expenses."

Accordingly, the Company's five-year plan separately provides both capital expenditures and operating expenses.

#### **A. The Company's Major Network Improvement Projects**

Based upon this framework, Appendix A reflects Southwest Arkansas Telephone Cooperative, Inc.'s major network improvement projects for the five calendar years 2015 through 2019 along with the start and completion dates, capital cost, areas and population associated with those projects

#### **B. How These Projects Will Improve the Network**

Below is a detailed description of each project listed in appendix A.

CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION  
Project Number 1 -



Project Number 2



Project Number 3



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION



Project Number 4




Project Number 5







CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION  
Project Number 6



Project Number 7



Project Number 8



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION



Project Number 9 -



Project Number 10 -



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION

[REDACTED]

Project Number 11 -

[REDACTED]

Project Number 12 -

[REDACTED]

Project Number 13 -

[REDACTED]



CONFIDENTIAL  
NOT FOR PUBLIC INSPECTION



Project Number 14 -



Study Area Code 401724  
 Study Area Name Southwest Arkansas Telephone Cooperative, Inc.  
 Company Contact Name Tina Moore  
 Contact Telephone Number 870-653-7133  
 Contact Email Address tjgm@swatco.com

APPENDIX A

## PART A - PROJECT LIST FOR 2015-2019

Project Number	Project	Start Date	Completion	Areas	Population(1)	Total Dollars	Part 32 Account	Voice, Broadband, Both, etc.
1	Washington FTTH Conversion	January 2015	December 2015	Washington Exchange 870-983				
2	2015 Annual Plant Upgrades	January 2015	December 2015	Southwest AR Telephone Serving Area, including Cass County, Tx., Columbia County, Ar., Hempstead County, Ar., Howard County, Ar., and Miller County, Ar.				
3	Fulton FTTH Conversion	January 2016	June 2016	Fulton Exchange 870-896				
4	Garland FTTH Conversion	July 2016	December 2016	Garland Exchange 870-683				
5	2016 Annual Plant Upgrades	January 2016	December 2016	Southwest AR Telephone Serving Area, including Cass County, Tx., Columbia County, Ar., Hempstead County, Ar., Howard County, Ar., and Miller County, Ar.				
6	Trigg FTTH Conversion	January 2017	June 2017	Trigg Exchange 870-645				
7	Emerson Upgrade	July 2017	December 2017	Emerson Exchange 870-547				
8	Doddridge Upgrade	July 2017	December 2017	Doddridge Exchange 870-691				
9	Bloomburg Upgrade	July 2017	December 2017	Bloomburg Exchange 903-728				
10	2017 Annual Plant Upgrades	January 2017	December 2017	Southwest AR Telephone Serving Area, including Cass County, Tx., Columbia County, Ar., Hempstead County, Ar., Howard County, Ar., and Miller County, Ar.				
11	Fouke FTTH Conversion Section 1	January 2018	December 2018	Fouke Exchange 870-653				
12	2018 Annual Plant Upgrades	January 2018	December 2018	Southwest AR Telephone Serving Area, including Cass County, Tx., Columbia County, Ar., Hempstead County, Ar., Howard County, Ar., and Miller County, Ar.				
13	Fouke FTTH Conversion Section 2	January 2019	December 2019	Fouke Exchange 870-653				
14	2019 Annual Plant Upgrades	January 2019	December 2019	Southwest AR Telephone Serving Area, including Cass County, Tx., Columbia County, Ar., Hempstead County, Ar., Howard County, Ar., and Miller County, Ar.				
Totals By Account								
Totals								
TOTALS BY ACCOUNT								

APPENDIX B

bioRxiv preprint doi: <https://doi.org/10.1101/2019.05.20.246000>; this version posted May 20, 2019. The copyright holder for this preprint (which was not certified by peer review) is the author/funder, who has granted bioRxiv a license to display the preprint in perpetuity. It is made available under aCC-BY-NC-ND 4.0 International license.

1

Regulated Operating Expenditure (OpEx) Projections								
Account	Operating Expenses	2014	2015	2016	2017	2018	2019	Total Operating Expenses 2015-2019
6110-6120	General Support Maintenance							
6210	Switching Maintenance							
6230	COE Transmission Maintenance							
6410	Cable & Wire Facilities							
6530	Non-Specific (Testing, Plant Op., Engineering)							
6561-2110	General Support Depreciation							
6561-2210	Switching Depreciation							
6561-2230	Circuit Equip Depreciation							
6561-2410	Cable & Wire Depreciation							
6610-6620	Customer Operations							
6711-6720	Corporate Operations							
7240	Ad Valorem Expense							
	Total Operating Expenses							



ARKANSAS PUBLIC SERVICE COMMISSION

Sch 24-A

Sheet No. 9

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

Schedule No.: 24

Title: LIFELINE ASSISTANCE PROGRAM

ARK. PUBLIC SERV. COMM

SECRETARY OF COMM.

2012 JUN 15 A 8:21

RECEIVED

SCHEDULE 24-A

2. LIFELINE ASSISTANCE PROGRAM

2.1 GENERAL

2.1.1 This tariff is effective on the date the new FCC rules on Lifeline become effective.

(CT)

2.1.2 The Lifeline Assistance Program (hereinafter "Lifeline") is a retail local service offering designed to make telephone service available at reduced rates to qualifying low-income customers. Lifeline provides for a federal credit equal to \$9.25. Texas customers will also be eligible for an additional credit equal to \$3.50.

2.1.3 The discounts apply to monthly recurring rates for qualifying residential customers.

2.1.4 Discounts are applied to rates and charges for residential telephone service.

2.1.5 The Lifeline Program rate reductions do not apply to long distance service, class services, special features, and other ancillary services which may or may not be tariffed. Eligible customers may obtain these services, where available, at their discretion.

2.1.6 The Lifeline Program rate reductions do not apply to service connections charges.

## ARKANSAS PUBLIC SERVICE COMMISSION

APH. PUBLIC SERV. COMM

Sch 24-A

Sheet No. 10

SECRETARY OF COMM.

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

2012 MAY 29 A 8:13

Schedule No.: 24

RECEIVED

Title: LIFELINE ASSISTANCE PROGRAM

## SCHEDULE 24-A

(RT)

2.1.7 (Reserved for future use)

2.1.8 This ETC will implement all special disconnect procedures required for Lifeline customers.

2.1.9 This ETC shall not charge Lifeline customers with a monthly Number-Portability charge.

2.1.10 This ETC shall offer toll blocking to all qualifying applicants at the time such consumers subscribe to Lifeline service. If the consumer elects to receive toll blocking, that service shall become part of that consumer's Lifeline service. The customer is under no obligation to accept the subscription to toll blocking.

2.1.11 This ETC shall not collect a service deposit in order to initiate Lifeline service, if the qualifying consumer voluntarily elects toll blocking, where available, otherwise, this ETC may charge a service deposit in the ordinary course of business.

## 2.2 DESIGNATED LIFELINE PROGRAM SERVICE

## 2.2.1 General

2.2.1.1 Certain telephone services are specifically part of Lifeline service. Other services are optional. This ETC has a specific Lifeline offering.

## ARKANSAS PUBLIC SERVICE COMMISSION

ARK. PUBLIC SERV. COMM

Sch 24-A

Sheet No. 11

SECRETARY OF COMM.

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

2012 MAY 29 A 8:13

Schedule No.: 24

RECEIVED

Title: LIFELINE ASSISTANCE PROGRAM

## SCHEDULE 24-A

(CT)

2.2.2 This ETC shall offer services or functionalities defined, by F.C.C. 47 CFR Part 54, to be voice telephony service. This service enables consumers to communicate with others that live nearby, while having access to all distance communications.

## 2.3 REGULATIONS

2.3.1 All the telecommunications provider rules and general tariffs of this company apply to lifeline service unless specifically in conflict with this Section and schedule

2.3.2 Lifeline Service is available only with residence services, excluding foreign exchange service.

(CT)

2.3.3 Lifeline Service is limited to one line per household at the customer's primary residence. "Household" is defined consistent with the Low-Income Home Energy Assistance Program as "any individual or group of individuals who are living together at the same address as one economic unit," with an "economic unit" defined as "all adult individuals contributing to and sharing in the income and expenses of a household." Lifeline support to individuals living in group living facilities must demonstrate when initially enrolling in the program that any other lifeline recipients residing at their residential address are part of a separate household.



## ARKANSAS PUBLIC SERVICE COMMISSION

ARK. PUBLIC SERV. COMM

Sch 24-A

Sheet No. 12

SECRETARY OF COMM.

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

2012 MAY 29 A 8:13

Schedule No.: 24

RECEIVED

Title: LIFELINE ASSISTANCE PROGRAM

## SCHEDULE 24-A

## 2.4 QUALIFICATIONS

## 2.4.1 General

2.4.1.1 To qualify for lifeline service, applicants must be participants in certain governmental programs or qualify through a low income threshold.

## 2.4.2 Qualification through Governmental Program Participation

(CT)

2.4.2.1 To qualify for lifeline service through governmental program participation applicants must participate in at least one (1) of the following governmental programs as contained in 47 CFR §54.400 and for Texas customers P.U.C. Subset. R. 26.412:

1. Department of Housing and Urban Development
2. Medicaid
3. Food Stamps
4. Supplemental Security Income (SSI)
5. Federal Public Housing Assistance Program
6. Low Income Home Energy Assistance Program
7. Temporary Assistance for Needy Families (TANF)
8. National School Lunch (NSL) Program's Free Lunch Program

## 2.4.3 Qualification through low income eligibility

2.4.3.1 To qualify through low income eligibility, the applicant's income as defined in Sec. 54.400(f) must be at or below 135% of the federal poverty guidelines.

(AT)

2.4.3.2 Texas customers only, to qualify through low income eligibility, the applicant's income as defined in Sec. 54.400 (f) and in Texas P.U.C. Substantive Rule 26.412 must be at or below 150% of the federal poverty guidelines.

## ARKANSAS PUBLIC SERVICE COMMISSION

Sch 24-A

Sheet No. 13

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

Schedule No.: 24

Title: LIFELINE ASSISTANCE PROGRAM

ARK. PUBLIC SERV. COMM

SECRETARY OF COMM.

2012 MAY 29 A 8:13

RECEIVED

## SCHEDULE 24-A

## 2.5 CERTIFICATION

## 2.5.1 General

2.5.1.1 Applicants for lifeline must meet the eligibility guidelines. A certification process shall be used to ensure only eligible applicants receive lifeline service.

## 2.5.2 Certification of eligibility through low income qualification.

(CT)

2.5.2.1 Per F.C.C. orders, each subscriber must provide certain certifications when enrolling in the Lifeline program. New Lifeline subscribers must provide documentation of program-based eligibility, which the Telephone Company enrolling the subscriber should review, but not retain. Should the subscriber attempt to certify based on income, the Telephone Company shall be provided supporting documentation in order to complete the certification. The certifying document shall also include the requirement that the consumer will notify this ETC if the consumer's income exceeds 135% of the Federal Poverty Guidelines.

(AT)

2.5.2.2 Texas customers only, to qualify through low income eligibility, the applicant's income as defined in Sec. 54.400 (f) and in Texas P.U.C. Substantive Rule 26.412 must be at or below 150% of the federal poverty guidelines.

**ARKANSAS PUBLIC SERVICE COMMISSION**

ARK. PUBLIC SERV. COMM

Sch 24-A

Sheet No. 14

SECRETARY OF COMM.

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

2012 MAY 29 A 8:13

Schedule No.: 24

RECEIVED

Title: **LIFELINE ASSISTANCE PROGRAM**

**SCHEDULE 24-A**

(RT)

2.5.2.2 (Reserved for future use)



**ARKANSAS PUBLIC SERVICE COMMISSION**

Sch 24-A

Sheet No. 15

Southwest Arkansas Telephone Cooperative, Inc.  
Name of CompanySchedule No.: 24Title: **LIFELINE ASSISTANCE PROGRAM**

ARK. PUBLIC SERV. COMM

SECRETARY OF COMM.

2012 MAY 29 A 8:13

RECEIVED

**SCHEDULE 24-A****2.5.3 Certification of eligibility through participation in governmental programs.**

(CT)

**2.5.3.1** The applicant's eligibility for lifeline service due to participation in governmental programs shall be certified by the applicant in coordination with the governmental entity providing, monitoring, or reviewing program participation. For instance, many programs may be provided by the Department of Human Services, Department of Health, and local school districts. This ETC will coordinate with the applicant and the appropriate governmental entity to ensure proper certification. This ETC shall establish appropriate procedures that include self-certification by applicants, under penalty of perjury, that the applicant receives benefits from the eligibility programs and identify the program or programs from which the applicant receives benefits. The certifying document shall also include the requirement that the consumer will notify this ETC if the consumer ceases to participate in the program or programs.

**2.6 CONSUMER COMPLAINT RESOLUTION****2.6.1 General**

**2.6.1.1** The Federal Lifeline Program requires a consumer complaint resolution process. The Arkansas Public Service Commission has determined in Order No. 1 of Docket No. 05-038-U that any ETC, which maintains tariffs and is subject to the Public Service Commission's consumer complaint procedures, meet the dispute resolution requirements for Lifeline. This ETC is subject to the Public Service Commission's consumer complaint procedures and shall use the Public Service Commission's consumer complaint procedures to meet the dispute resolution requirements for Lifeline.

## ARKANSAS PUBLIC SERVICE COMMISSION

ARK. PUBLIC SERV. COMM

Sch 24-A

Sheet No. 16

SECRETARY OF COMM.

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

2012 MAY 29 A 8:14

Schedule No.: 24

RECEIVED

Title: LIFELINE ASSISTANCE PROGRAM

## SCHEDULE 24-A

## 2.7 VERIFICATION OF CONTINUED ELIGIBILITY

## 2.7.1 General

(CT)

2.7.1.1 The Lifeline program requires this ETC to annually monitor the continued eligibility of Lifeline participants by requiring each Lifeline subscriber, both existing subscribers and new subscribers, to provide annual self-certifications attesting to their continued eligibility of the program. During the re-certification process of year 2012, the Telephone Company shall re-certify all of their subscribers claimed on their June FCC Form 497 and report the results of this annual re-certification process to the Commission, USAC and the Arkansas State Commission by the end of 2012. Beginning in 2013, this Telephone Company will annually choose to either, where ETCs cannot re-certify their subscribers by accessing a database, they must re-certify their Lifeline customers on an annual basis or elect to have USAC re-certify them. Also, should the Telephone Company choose to use a state or federal program database to confirm a consumers ongoing eligibility for Lifeline, the annual re-certification will not be implemented.

(RT)

2.7.2 (Reserved for future use)

(RT)

2.7.2.1 (Reserved for future use)

(RT)

2.7.2.2 (Reserved for future use)

## ARKANSAS PUBLIC SERVICE COMMISSION

Sch 24-A

Sheet No. 17

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

Schedule No.: 24Title: LIFELINE ASSISTANCE PROGRAM

ARK. PUBLIC SERV. COMM.

SECRETARY OF COMM.

2012 MAY 29 A 8:14

RECEIVED

## SCHEDULE 24-A

## 2.8 PROCESS FOR TERMINATION OF LIFELINE BENEFITS

## 2.8.1 General

2.8.1.1 A consumer's eligibility for Lifeline may be terminated due to failure to maintain qualifications for Lifeline. This ETC shall follow the required process for termination of Lifeline benefits.

## 2.8.2. Process

2.8.2.1 Customers will be notified of the impending termination of Lifeline benefits in a letter separate from the consumer's monthly bill.

2.8.2.2 The customer will have up to sixty (60) days from the date of the termination letter in which to demonstrate his or her continued eligibility before Lifeline support is discontinued.

2.8.2.3 A customer who appeals must present proof of continued eligibility consistent with the above Lifeline qualifications.

2.8.2.4 This ETC will terminate Lifeline services for subscribers who fail to demonstrate continued eligibility within the sixty (60) day time period.



## ARKANSAS PUBLIC SERVICE COMMISSION

Sch 24-A

Sheet No. 18

Southwest Arkansas Telephone Cooperative, Inc.  
Name of Company

Schedule No.: 24

Title: LIFELINE ASSISTANCE PROGRAM

ARK. PUBLIC SERV. COMM

SECRETARY OF COMM

2012 MAY 29 A 8:14

RECEIVED

## SCHEDULE 24-A

## 2.9 RECORD RETENTION POLICY

## 2.9.1 General

2.9.1.1 The Federal Communications Commission has established specific record retention requirements for the Lifeline certification process. This ETC will have specific procedures to ensure its record retention policy complies with legal requirements.

(RT)

2.9.1.2 This ETC, through its own recordkeeping, shall maintain certification records for the period of time required by the Federal Communications Commission for all Lifeline participants.

2.9.1.3 This ETC shall retain certifications, signed by the subscriber, regarding the consumer's eligibility for Lifeline, including self-certifications, that income documentation accurately reflects the household income. This certification shall be retained at least as long as the consumer receives Lifeline service from this ETC or until this ETC is audited by the Administrator. This ETC shall maintain certifications for subscribers terminating Lifeline service for at least three (3) years after termination. Such records shall be maintained in compliance with all federal and Public Service Commission requirements and such records shall be provided to the Administrator or the Public Service Commission upon proper request.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Southwest Arkansas Telephone Cooperative, Inc. (Prepared with Audited Data)	
<b>INSTRUCTIONS-</b> Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2013	BORROWER DESIGNATION AR0514
<b>CERTIFICATION</b> We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. <b>ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</b>  <b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII</b> <i>(Check one of the following)</i> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.         </div> <div style="width: 45%;"> <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report         </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">           William Hegmann         </div> <div style="width: 45%; text-align: center;">           3/11/2014            DATE         </div> </div>		

**PART A. BALANCE SHEET**

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = 50.93% of Total Assets



USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION  AR0514	
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING  December, 2013	
<b>PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS</b>			
ITEM	PRIOR YEAR	THIS YEAR	
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 5 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 26]			
48. DSCR [(31+26+10+11) / 44]			

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>  INSTRUCTIONS - See RUS Bulletin 1744-2						BORROWER DESIGNATION AR0514  PERIOD ENDED December, 2013	
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
EXCHANGE	B-1 (a)	R-1 (b)	BUSINESS (a)	RESIDENTIAL (b)	TOTAL (c)	TOTAL (including fiber) (a)	FIBER (b)
Bloomburg							
Doddridge							
Emerson							
Fouke							
Fulton							
Garland							
Trigg							
Washington							
MobileWireless							
Route Mileage Outside Exchange Area							
Total							
No. Exchanges							



USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>  INSTRUCTIONS - See RUS Bulletin 1744-2						BORROWER DESIGNATION AR0514  PERIOD ENDED December, 2013		
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION								
4. BROADBAND SERVICE								
Details on Least Expensive Broadband Service								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Bloomburg								
Doddridge								
Emerson								
Fouke								
Fulton								
Garland								
Trigg								
Washington								
Total								

USDA-RUS <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION AR0514 PERIOD ENDING December, 2013			
INSTRUCTIONS- See RUS Bulletin 1744-2					
<b>PART D. SYSTEM DATA</b>					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile		
<b>PART E. TOLL DATA</b>					
1. Study Area ID Code(s) a. b. c. d. e. f. g. h. i. j.		2. Types of Toll Settlements (Check one) Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis			
<b>PART F. FUNDS INVESTED IN PLANT DURING YEAR</b>					
1. RUS, RTB, & FFB Loan Funds Expended					
2. Other Long-Term Loan Funds Expended					
3. Funds Expended Under RUS Interim Approval					
4. Other Short-Term Loan Funds Expended					
5. General Funds Expended (Other than Interim)					
6. Salvaged Materials					
7. Contribution in Aid to Construction					
8. Gross Additions to Telecom. Plant (1 thru 7)					
<b>PART G. INVESTMENTS IN AFFILIATED COMPANIES</b>					
INVESTMENTS  (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION AR0514  PERIOD ENDING December, 2013
<b>PART H. CURRENT DEPRECIATION RATES</b>	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one) <span style="float: right;"> <input type="checkbox"/> YES    <input checked="" type="checkbox"/> NO         </span>	
<b>EQUIPMENT CATEGORY</b>	<b>DEPRECIATION RATE</b>
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	



USDA-RUS		BORROWER DESIGNATION AR0514
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		PERIOD ENDED December, 2013
INSTRUCTIONS – See help in the online application.		
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		
4. Add: Amortization		
5. Other (Explain) RETIREMENTS		
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		
7. Decrease/(Increase) in Materials and Inventory		
8. Decrease/(Increase) in Prepayments and Deferred Charges		
9. Decrease/(Increase) in Other Current Assets		
10. Increase/(Decrease) in Accounts Payable		
11. Increase/(Decrease) in Advance Billings & Payments		
12. Increase/(Decrease) in Other Current Liabilities		
13. Net Cash Provided/(Used) by Operations		
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		
15. Increase/(Decrease) in Notes Payable		
16. Increase/(Decrease) in Customer Deposits		
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		
20. Less: Payment of Dividends		
21. Less: Patronage Capital Credits Retired		
22. Other (Explain) INTEREST RECEIVABLE AND ACCRUED TAXES		
23. Net Cash Provided/(Used) by Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		
25. Other Long-Term Investments		
26. Other Noncurrent Assets & Jurisdictional Differences		
27. Other (Explain) PRIOR PERIOD ADJUSTMENTS		
28. Net Cash Provided/(Used) by Investing Activities		
29. Net Increase/(Decrease) in Cash		
30. Ending Cash		

Revision Date 2010



USDA-RUS  OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION  AR0514
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION  AR0514
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
<b>CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	